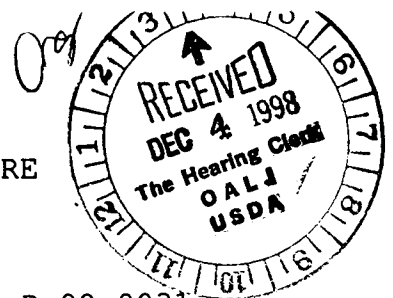


UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE



In re:) PACA Docket No. D-98-0031
)
L A Vegetable Exchange,)
Inc.,)
)
Respondent) Consent Decision and Order
)

Preliminary Statement

This is a disciplinary proceeding under the Perishable Agricultural Commodities Act, 1930, as amended (7-U.S.C. § 499a et seq.; hereinafter referred to as the "Act"), instituted by a Complaint filed on September 17, 1998, by the Associate Deputy Administrator, Fruit and Vegetable Programs, Agricultural Marketing Service, United States Department of Agriculture.

The Complaint alleges that during the period December 1997 through February 1998, Respondent L A Vegetable Exchange, Inc., (hereinafter "Respondent") failed to make full payment promptly to 19 sellers of the agreed purchase prices, or balances thereof, in the total amount of \$350,978.35 for 186 lots of perishable agricultural commodities, which it purchased, received and accepted in interstate and foreign commerce. A copy of the Complaint was served upon Respondent. The Respondent and Complainant have now agreed to the entry of a Decision and Order as set forth herein. Therefore, pursuant to Section 1.138 of the Rules of Practices (7 C.F.R. 1.138), the following Decision and Order is issued without further procedure or hearing.

Finding of Fact

1. Respondent is a corporation whose business address is 1601 East Olympic Boulevard, Suite 501, Los Angeles, California 90021.

2. Pursuant to the licensing provisions of the PACA, license number 198843 was issued to Respondent on November 5, 1962. This license is next subject for renewal on November 5, 1998.

3. The Secretary has jurisdiction over Respondent and the subject matter involved herein.

4. As set forth more fully in paragraph III of the Complaint, during the period December 1997 through February 1998, Respondent failed to make full payment promptly to 19 sellers of the agreed purchase prices, or balances thereof, in the total amount of \$350,978.35 for 186 lots of perishable agricultural commodities purchased, received and accepted in interstate and foreign commerce.

5. On March 5, 1998, Respondent filed a Voluntary Petition pursuant to Chapter 11 of the Bankruptcy Code (11 U.S.C. § 1100 et seq.) in the United States Bankruptcy Court for the Central District of California. This petition has been designated Case No. LA98-18666-KM. Respondent, in its document entitled Schedule F - Creditors Holding Unsecured Nonpriority Claims admits that it owes 12 of these sellers at least \$288,117.95.

Conclusions

Respondent has committed flagrant violations of Section 2(4)

of the PACA (7 U.S.C. § 499b(4)), by failing to make full payment promptly with respect to the transactions set forth in Finding of Fact No. 4 above, for which the Order below is issued.

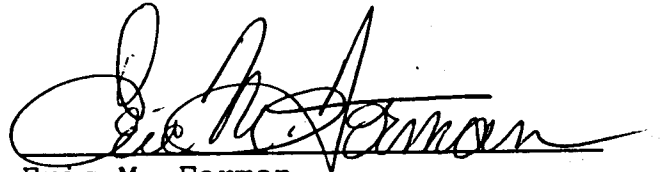
Order

A finding be made that Respondent committed willful, flagrant and repeated violations of Section 2(4) of the Act (7 U.S.C. § 499b(4)) and that the license of Respondent be revoked.

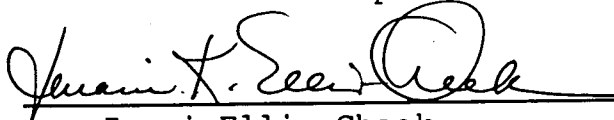
This order shall become effective 30 days after issuance. Copies hereof shall be served upon the parties. .



Thomas M. Tahara
President
L A Vegetable Exchange, Inc.



Eric M. Forman
Associate Deputy Administrator
Fruit and Vegetable Programs
Agricultural Marketing Service
Complainant



Imani Ellis-Cheek
Attorney for Complainant

Issued this 4th day of December, 1998
at Washington, D.C.



Administrative Law Judge